GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3061
ANSWERED ON:10.08.2001
RECOVERY OF TAX
SATYAVRAT CHATURVEDI;SUNDER LAL TIWARI

Will the Minister of FINANCE be pleased to state:

(a) the amount of tax outstanding against the domestic and Multinational Companies as on 30th June, 2001;

(b) whether the Government are aware that several companies are sending out their products from the factory without paying the excise duty;

(c) if so, the details of such companies and the action taken against such companies so far;

(d) the action taken by the government for speedy recovery of tax; and

(e) the time by which amount of tax is likely to be recovered?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) The amount of central excise duty and customs duty outstanding as on 30th June, 2001 was Rs.10,212.95 crore. The amount of income tax outstanding against domestic and multinational companies having arrear demand of Rs. 25 crores and above, as on 31-3-2001 was Rs. 17,035 crore.

(b) & (c) Details of the cases where companies were allegedly sending out their products without payment of excise duty, are as under:

Financial Year	No. of companies	Amt. Involved (in crore)
2000-01	1573	690.71
2001- upto June, 2001	323	441.85

Departmental adjudication proceedings are initiated by issue of show cause notices, demanding duty evaded and imposition of penalty on the basis of investigation of the cases detected. In appropriate cases, prosecution is also filed against the tax evaders.

(d) The recovery of taxes is a continuous process which involves various statutory procedures. These include attachment and sale of movable and immovable properties; charging of interest for late payment; levy of penalty; etc. Periodical review and monitoring of cases involving arrears are made by the higher authorities from time to time for issuing necessary instructions for expediting recovery of taxes. Efforts are also made for getting stays vacated and filing urgent hearing petitions in the appellate bodies for deciding the cases on priority basis.

(e) No time frame can be fixed for the recovery of dues as the parties are entitled to appellate/legal remedies against the recovery action and appellate authorities (including courts) often admit appeals, staying wholly or partially, the duties confirmed or fines & penalty imposed by adjudicating authorities.